

REFERENCE TITLE: fire districts; noncontiguous property

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HB 2514

Introduced by
Representatives Murphy: Biggs, Burges

AN ACT

AMENDING SECTION 48-261, ARIZONA REVISED STATUTES; RELATING TO SPECIAL TAXING DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 48-261, Arizona Revised Statutes, is amended to
3 read:

4 48-261. District creation; procedures; notice; hearing;
5 determinations; petitions; definition

6 A. Except for a county island fire district formed pursuant to
7 subsection H of this section, a fire district, community park maintenance
8 district, sanitary district or hospital district for either a hospital or an
9 urgent care center shall be created by the following procedures:

10 1. Any adult person desiring to propose creation of a district shall
11 prepare and submit a district impact statement to the board of supervisors of
12 the county in which the district is to be located. Except for a proposed
13 community park maintenance district that is to be located in more than one
14 county, if a proposed district is located in more than one county, the impact
15 statement shall be submitted to the board of supervisors of the county in
16 which the majority of the assessed valuation of the proposed district is
17 located. The boards of supervisors of any other counties in which a portion
18 of the district is to be located shall provide information and assistance to
19 the responsible board of supervisors. For a community park maintenance
20 district that is to be located in more than one county, the impact statement
21 shall be submitted to the board of supervisors for each of the affected
22 counties. If the person desiring to create a district pursuant to this
23 section is unable to complete the district impact statement, the board of
24 supervisors may assist in the completion of the impact statement if requested
25 to do so, provided the bond required in subsection C of this section is in an
26 amount sufficient to cover any additional cost to the county. The district
27 impact statement shall contain at least the following information:

28 (a) A legal description of the boundaries of the proposed district and
29 a detailed, accurate map of the area to be included in the district.

30 (b) An estimate of the assessed valuation within the proposed
31 district.

32 (c) An estimate of the change in the property tax liability, as a
33 result of the proposed district, of a typical resident of the proposed
34 district.

35 (d) A list and explanation of benefits that will result from the
36 proposed district.

37 (e) A list and explanation of the injuries that will result from the
38 proposed district.

39 (f) The names, addresses and occupations of the proposed members of
40 the district's organizing board of directors.

41 (g) A description of the scope of services to be provided by the
42 district during its first five years of operation. At a minimum this
43 description shall include an estimate of anticipated capital expenditures,
44 personnel growth and enhancements to service.

1 2. On receipt of the district impact statement, the board of
2 supervisors shall set a day, not fewer than thirty nor more than sixty days
3 from that date, for a hearing on the impact statement. The board of
4 supervisors, at any time prior to making a determination pursuant to
5 paragraph 4 of this subsection, may require that the impact statement be
6 amended to include any information that the board of supervisors deems to be
7 relevant and necessary.

8 3. Upon receipt of the district impact statement, the clerk of the
9 board of supervisors shall mail, by first class mail, written notice of the
10 statement, its purpose and notice of the day, hour and place of the hearing
11 on the proposed district to each owner of taxable property and to each
12 household in which a qualified elector resides within the boundaries of the
13 proposed district. The clerk of the board of supervisors shall post the
14 notice in at least three conspicuous public places in the area of the
15 proposed district and shall publish twice in a daily newspaper of general
16 circulation in the area of the proposed district, at least ten days before
17 the hearing, or, if no daily newspaper of general circulation exists in the
18 area of the proposed district, ~~then~~ at least twice at any time before the
19 date of the hearing, a notice setting forth the purpose of the impact
20 statement, the description of the area of the proposed district and the day,
21 hour and place of the hearing.

22 4. At the hearing called pursuant to paragraph 2 of this subsection,
23 the board of supervisors shall hear those who appear for and against the
24 proposed district and shall determine whether the creation of the district
25 will promote public health, comfort, convenience, necessity or welfare. If
26 the board of supervisors determines that the public health, comfort,
27 convenience, necessity or welfare will be promoted, it shall approve the
28 district impact statement and authorize the persons proposing the district to
29 circulate petitions as provided in this subsection. For a community park
30 maintenance district that is required to obtain the approval of more than one
31 county's board of supervisors, the petitions may only be circulated after
32 approval of the board of supervisors from each affected county. The order of
33 the board of supervisors shall be final, but if the request to circulate
34 petitions is denied, a subsequent request for a similar district may be
35 refiled with the board of supervisors after six months from the date of such
36 denial.

37 5. Within fifteen days after receiving the approval of the board of
38 supervisors as prescribed by paragraph 4 of this subsection, the clerk of the
39 board shall determine the minimum number of signatures required for
40 compliance with paragraph 7, subdivision (b) and (c) of this subsection.
41 After making that determination, that number of signatures shall remain
42 fixed, notwithstanding any subsequent changes in voter registration records.

43 6. After receiving the approval of the board of supervisors as
44 provided in paragraph 4 of this subsection, any adult person may circulate
45 and present petitions to the board of supervisors of the county in which the

1 district is located. All petitions circulated shall be returned to the board
2 of supervisors within one year from the date of the approval of the board of
3 supervisors pursuant to paragraph 4 of this subsection. Any petition that is
4 returned more than one year from that date is void.

5 7. The petitions presented pursuant to paragraph 6 of this subsection
6 shall comply with the provisions regarding petition form in section 48-265
7 and verification in section 48-266 and shall:

8 (a) At all times, contain a legal description of the boundaries of the
9 proposed district and a detailed, accurate map of the proposed district and
10 the names, addresses and occupations of the proposed members of the
11 district's organizing board of directors. No alteration of the proposed
12 district shall be made after receiving the approval of the board of
13 supervisors as provided in paragraph 4 of this subsection.

14 (b) Be signed by more than one-half of the property owners in the area
15 of the proposed district and be signed by persons owning collectively more
16 than one-half of the assessed valuation of the property in the area of the
17 proposed district.

18 (c) If a petition of qualified electors, be signed by more than
19 one-half of the qualified electors within the boundaries of the proposed
20 district.

21 8. On receipt of the petitions, the board of supervisors shall set a
22 day, not fewer than ten nor more than thirty days from that date, for a
23 hearing on the petition.

24 9. Prior to the hearing called pursuant to paragraph 8 of this
25 subsection, the board of supervisors shall determine the validity of the
26 petitions presented.

27 10. At the hearing called pursuant to paragraph 8 of this subsection,
28 the board of supervisors, if the petitions are valid, shall order the
29 creation of the district. The board of supervisors shall enter its order
30 setting forth its determination in the minutes of the meeting, not later than
31 ten days from the day of the hearing, and a copy of the order shall be filed
32 in the county recorder's office. The order of the board of supervisors shall
33 be final, and the proposed district shall be created thirty days after the
34 board of supervisors votes to create the district, except that for a
35 community park maintenance district that is proposed for more than one
36 county, the proposed district is created thirty days after the approval of
37 the board of supervisors of the final county of the counties in which the
38 district is to be located. A decision of the board of supervisors under this
39 subsection is subject to judicial review under title 12, chapter 7,
40 article 6.

41 B. For the purpose of determining the validity of the petitions
42 presented pursuant to subsection A, paragraph 6 of this section:

43 1. Qualified electors shall be those persons qualified to vote
44 pursuant to title 16.

1 2. Property held in multiple ownership shall be treated as if it had
2 only one property owner, so that the signature of only one of the owners of
3 property held in multiple ownership is required on the formation petition.

4 3. The value of property shall be determined as follows:

5 (a) In the case of property assessed by the county assessor, values
6 shall be the same as those shown on the last assessment roll of the county
7 containing such property.

8 (b) In the case of property valued by the department of revenue, the
9 values shall be those determined by the department in the manner provided by
10 law, for municipal assessment purposes. The county assessor and the
11 department of revenue, respectively, shall furnish to the board of
12 supervisors, within twenty days after such a request, a statement in writing
13 showing the owner, the address of each owner and the appraisal or assessment
14 value of properties contained within the boundaries of the proposed district
15 as described in subsection A of this section.

16 C. The board of supervisors may require of the person desiring to
17 propose creation of a district pursuant to subsection A, paragraph 1 of this
18 section a reasonable bond to be filed with the board at the start of
19 proceedings under this section. The bond shall be in an amount sufficient to
20 cover costs incurred by the county if the district is not finally organized.
21 County costs covered by the bond include any expense incurred from completion
22 of the district impact statement, mailing of the notice of hearing to
23 district property owners and electors, publication of the notice of hearing
24 and other expenses reasonably incurred as a result of any requirements of
25 this section.

26 D. If a district is created pursuant to this section, the cost of
27 publication of the notice of hearing, the mailing of notices to electors and
28 property owners and all other costs incurred by the county as a result of ~~the~~
29 ~~provisions of~~ this section shall be a charge against the district.

30 E. If a proposed district would include property located within an
31 incorporated city or town, in addition to the other requirements of
32 subsection A of this section, the board shall approve the creation and
33 authorize the circulation of petitions only if the governing body of the city
34 or town has by ordinance or resolution endorsed such creation.

35 F. Except as provided in section 48-2001, subsection A, **AND EXCEPT FOR**
36 **A FIRE DISTRICT FORMED IN A SINGLE COUNTY**, the area of a district created
37 pursuant to this section shall be contiguous.

38 G. A district organized pursuant to this section shall have an
39 organizing board of directors to administer the affairs of the district until
40 a duly constituted board of directors is elected as provided in this title.
41 The organizing board shall have all the powers, duties and responsibilities
42 of an elected board. The organizing board shall consist of the three
43 individuals named in the district impact statement and the petitions
44 presented pursuant to subsection A of this section. If a vacancy occurs on
45 the organizing board, the remaining board members shall fill the vacancy by

1 appointing an interim member. Members of the organizing board shall serve
2 without compensation but may be reimbursed for actual expenses incurred in
3 performing their duties. The organizing board shall elect from its members a
4 chairman and a clerk.

5 H. For a county island fire district only:

6 1. Any person may petition the board of supervisors for the county in
7 which the county island fire district is proposed to be located. The
8 petitions shall comply with section 48-265 regarding petition form and shall
9 be verified as prescribed in section 48-266. If the petitions submitted are
10 verified as having the signatures of more than one-half of the aggregate
11 number of owners of all of the real property located in the county islands in
12 the proposed district as prescribed by section 48-805, subsection E,
13 paragraph 1, after a hearing, the board of supervisors may certify the
14 establishment of the county island fire district. The county island fire
15 district shall be governed by a five member elected district board pursuant
16 to section 48-803, but shall be governed initially by a board appointed by
17 the county board of supervisors from among qualified electors of the
18 county. On formation of the district, the surrounding city or town shall
19 provide fire protection services and emergency medical services to the
20 district. The initial appointed board shall schedule an election to be held
21 on the next consolidated election date as prescribed by section 16-204. That
22 election shall be held as otherwise provided by law. The county island fire
23 district board shall also notify the county board of supervisors of the cost
24 of providing fire protection services and emergency medical services for each
25 household or other structure in the district.

26 2. In any legal action challenging the validity of this subsection or
27 seeking to oppose or enjoin the creation or formation of a district
28 contemplated by this subsection, the following apply:

29 (a) The board of supervisors of the county that certified the
30 establishment of the district, after consultation with the district board,
31 may advance funds necessary for the representation of named parties and
32 defense of the action.

33 (b) A defendant that is a prevailing party in a legal challenge
34 contemplated by this paragraph shall be awarded its costs and reasonable
35 attorney fees against any party who challenged the validity of this
36 subsection or district formation.

37 3. Where district formation is contemplated by this subsection, the
38 county in which the district or proposed district is located may enter into
39 an intergovernmental agreement pursuant to title 11, chapter 7, article 3,
40 with the district or proposed district for any purpose not inconsistent with
41 this subsection.

42 I. For the purposes of this section assessed valuation does not
43 include the assessed valuation of property that is owned by a county, this
44 state or the United States government and in the case of multiple ownership

1 of a single parcel of property, any one property owner constitutes the entire
2 ownership interest.

3 J. For the purposes of this section, "county island fire district"
4 means a fire district that is formed or proposed to be formed only in those
5 unincorporated areas of a single county that are surrounded by a single city
6 or town or that are surrounded by a single city or town in combination with
7 other publicly owned or sovereign land, and in which the existing private
8 fire service provider has issued a notice to the residents of the county
9 island that it plans to discontinue or substantially reduce service.